

words and figures "six per cent (6%)." and inserting in lieu thereof the words and figures "ten per cent (10%)."

SEC. 3. That Article five of the Constitution of North Carolina, as printed in the Public Laws of North Carolina, Session of 1933, be amended by striking out all of section four of said Article down to and including the word "taxation" in line twelve, and substituting in lieu thereof the following:

"Sec. 4. *Limitations upon the increase of public debts.* The General Assembly shall have the power to contract debts and to pledge the faith and credit of the State and to authorize counties and municipalities to contract debts and pledge their faith and credit for the following purposes:

"To fund or refund a valid existing debt;

"To borrow in anticipation of the collection of taxes due and payable within the fiscal year to an amount not exceeding fifty per centum of such taxes;

"To supply a casual deficit;

"To suppress riots or insurrections, or to repel invasions.

"For any purpose other than these enumerated, the General Assembly shall have no power, during any biennium, to contract new debts on behalf of the State to an amount in excess of two-thirds of the amount by which the State's outstanding indebtedness shall have been reduced during the next preceding biennium, unless the subject be submitted to a vote of the people of the State; and for any purpose other than these enumerated the General Assembly shall have no power to authorize counties or municipalities to contract debts, and counties and municipalities shall not contract debts, during any fiscal year, to an amount exceeding two-thirds of the amount by which the outstanding indebtedness of the particular county or municipality shall have been reduced during the next preceding fiscal year, unless the subject be submitted to a vote of the people of the particular county or municipality. In any election held in the State or in any county or municipality under the provisions of this section, the proposed indebtedness must be approved by a majority of those who shall vote thereon."

SEC. 4. That sections one (1), two (2) and three (3) of this act be submitted separately at the next General Election to the qualified voters of the State in the same manner and under the same rules and regulations as provided in the laws governing general elections in this State.

SEC. 5. That electors favoring the adoption of the amendment in section one (1) of this act shall vote ballots on which shall be printed or written the words "For Classification of Property," and those who are opposed shall vote ballots on which shall be printed or written the words "Against Classification of Property."

Again amended.

Increase in public debts limited.

Purposes set out.

Debt funding.

Borrowing on tax anticipation.

Casual deficits.

Suppression of riots, etc.

Limitation on purposes.

Submission of question to voters.

Local debts limited.

Submission of question to local voters.

Submission of amendment to voters.

Ballots for classification of property amendment.